

MICHIGAN COMMISSION OF AGRICULTURE
Geagley Laboratory
Gordon Guyer Room
1615 S. Harrison Rd.
East Lansing, Michigan 48823

MEETING MINUTES
FEBRUARY 10, 2005

PRESENT:

James Byrum, Chair, Commission of Agriculture
James Maitland, Vice-Chair, Commission of Agriculture
Ann Jousma-Miller, Secretary, Commission of Agriculture
Douglas Darling, Commission of Agriculture
Dale Norton, Commission of Agriculture
Dan Wyant, Director, Michigan Department of Agriculture

OTHERS PRESENT: (all or part of the meeting)

Michigan Department of Agriculture Staff
Shannon Andrews, Michigan Department of Community Health
E.J. Brown, Michigan Association of Fairs & Exhibitions
Peter Butchko, State Director, USDA, APHIS, Wildlife Services
Thomas Davenport, Director of Viticulture, National Grape Coop
William Grabemeyer, grower and past president of the Horticulture Society
Dr. Dan Grooms, Michigan State University
Dan Hager, Michigan Potato Industry Commission
Terry Hollaway, grower, National Grape Coop
John Jasper, grower and Area Manager, National Grape Coop
Ron Nelson, Michigan Farm Bureau
Thomas Okrie, Safe & Peaceful Living Solutions
Dr. Joan B. Rose, Michigan State University
Mark Salogar, House Democratic Policy Staff
Jennifer Schmidt

CALL TO ORDER AND ROLL CALL

Chair Byrum called the meeting of the Commission of Agriculture to order at 9:30 a.m. on Thursday, February 10, 2005. Secretary Jousma-Miller called the roll with Director Wyant, Commissioners Byrum, Darling, and Maitland present. (Commissioner Norton was attending his Senate Confirmation Hearing and arrived during the Director's Report.)

APPROVAL OF AGENDA:

MOTION: COMMISSIONER JOUSMA-MILLER MOVED APPROVAL OF THE FEBRUARY 10, 2005 AGENDA AS PRESENTED. SECONDED BY COMMISSIONER MAITLAND. MOTION CARRIED UNANIMOUSLY.

APPROVAL OF JANUARY 10, 2005, MEETING MINUTES

MOTION: COMMISSIONER DARLING MOVED APPROVAL OF THE JANUARY 10, 2004 MEETING MINUTES. SECONDED BY COMMISSIONER MAITLAND. MOTION CARRIED UNANIMOUSLY.

NEXT MEETING

The next meeting of the Commission of Agriculture is scheduled for March 10, 2005, in Lansing. The Commissioners will attend the opening of the Agriculture Conference on the Environment, then move into a Commission meeting at approximately 10:00 a.m. The Commission will meet jointly in the afternoon with the Natural Resources Commission to review topics of interest to both commissions. Those currently include Bovine TB and Emerald Ash Borer. If time permits, other environmental and farm preservation programs may be discussed.

APPROVAL OF COMMISSIONERS' TRAVEL

None was requested.

COMMISSIONERS' COMMENTS

Commissioner Maitland reported that the Grand Traverse Fruit Growers Council held their annual show in January. The 270 registrants represented most of the fruit growers in the three-county area. Director Wyant gave a speech at the luncheon that was appreciated. This show has become the premier cherry and wine show in the state.

Commissioner Jousma-Miller commented that it is winter meeting time in the Upper Peninsula (UP). Several soil conservation districts and the beef producers have been meeting. Reports are that things are going fairly well.

Between August and December 12, there were 33 producers in the UP that had ordered a total of 5,243 electronic ID tags. Today, 121 producers have ordered a total of 24,736 tags. If estimates are correct, there are approximately 480 producers to go and another 50,000 tags to be ordered. She feels the six meetings held in the UP made a huge difference.

Commissioner Jousma-Miller stated that the Commission may be hearing about wolves in the near future. The wolf population in the UP has increased and the Natural Resources Commission will probably begin hearing some complaints from sportsmen that wolves are killing too many deer. Wolves take between 15-20 deer per wolf, per year. With 360 wolves, approximately 7,200 deer will be consumed by wolves. However, the 2003 winter-kill was 54,000 and the hunter harvest last year in the UP was 62,000. Car-deer accidents are still high at 8,600. She has a concern about the wolves carrying disease to other species through migration.

Commissioner Darling commented that he had attended several annual winter meetings and soil conservation banquets. He also attended the Michigan Farm Bureau Legislative Seminar and Reception. Director Wyant spoke at the luncheon. Issues included budget, MAEAP Program and the relationship with the Department of Environmental Quality. He also met with the Department Chairs at Michigan State University (MSU) to hear about their programs, updates and ideas.

Commissioner Darling had the opportunity to judge a district FFA contest. He stated that is refreshing to see the young people getting involved and the leadership and skills they show at these events.

There is a referendum coming up on the ethanol plant in Riga in southeastern Michigan.

Commissioner Byrum commented that there are still concerns about transportation. There is concern that there will be enough plant nutrients to plant the spring crops, but they may not be able to get to the right location. Rail is worse because of avalanches in western Canada causing huge issues. Budget and trade are continuing issues. China continues to present challenges for Michigan production along with other competitors in the world.

Michigan Agri-Business will be meeting with the entire Michigan delegation discussing proposed federal budget cuts, especially agriculture program cuts. He anticipates seeing payment limitation and reduced LDP payments.

There are four biofuel plants in the planning stages; Riga, Woodbury, Albion and Sarnia. If two of those plants become a reality, Michigan could become an importer of corn.

Commodity prices continue going down and fertilizer prices continue going up. That will impact acreage this spring. Corn will likely be down, soybeans up. Also it is anticipated that more wheat will be planted in fall 2005.

There was a brief discussion about the impact of federal budget cuts on agriculture.

Commissioner Maitland asked what commodities were being effected by Chinese trade. Commissioner Byrum responded that it affects most that we grow; dry beans, apples, edible soybean products, and every fruit and vegetable crop.

DIRECTOR'S REPORT

Director Wyant shared that the state budget presentation was being made at 12:00 p.m. and that staff would be attending.

The State of Michigan is pursuing a new budget process. In the past, baseline budgeting was used. Both the Governor and the Legislature has decided to use a new process based on a book "The Price of Government". Other states have utilized this process, prioritizing programs and defining what you are willing to spend on those priorities. This process is results/outcomes driven. The Legislature has contracted with a consulting firm and the authors of the book to pursue this process. It will be the first time a legislature has utilized this process.

Director Wyant distributed a handout with the Governor's six priorities and discussed how Agriculture fits in to those priorities. The six priorities are economy, education, environment, health care, homeland security and better government. He briefly reviewed how the new budget process will work.

The Legislature has identified nine priority areas and will be putting project teams together. Those priority areas are: thriving economy; K-12 education; jobs preparation and higher education; safe and secure citizenry; transportation and mobility; environmental protection; government efficiency; citizen health and welfare; and protection of the most vulnerable citizens.

Michigan Department of Agriculture (MDA) priorities are food safety and security; animal, plant health and protection; environmental stewardship, viable agriculture development, consumer protection and homeland security.

Director Wyant shared a presentation by Gary Olson, Director, Senate Fiscal Agency regarding a broad overview of the state's economy. He also discussed MDA appropriated funding sources.

Christine White has been appointed as acting Racing Commissioner, while continuing with her other responsibilities. She'll work on horse racing issues and keeping racing in Michigan viable in addition to dealing with federal funding of Emerald Ash Borer, phytophthora, pursuing the federal specialty crop block grant program and TB free status in the UP. She'll be returning to Washington, DC

later this month to meet with the congressional delegation on all four of those issues.

Director Wyant discussed two items from the USDA Fruit & Vegetable Advisory Council meeting. The Committee recommended strong support of the Specialty Crop Competitiveness Act that provides for both a specialty crop block grant and has an opportunity for funding for plant issues like phytophthora. This will be an important tool for Michigan. Congress has authorized a funding amount up to \$50 million and it now needs to be appropriated. MDA will be coordinating a Michigan response.

The Grain Insurance Fund program is up and running. This program is funded by producers of row crops. There was an elevator failure in Pinconning and there is a legal question as to whether the Act and program was in place in time for producers to submit claims against the fund and qualify. We are working with the Attorney General to get an opinion and the question will go before the appointed Grain Insurance Fund Board in March.

Director Wyant and the Michigan Food Bank Council met with representatives of Wal-Mart to try and increase donations and also about a major apple promotion. Discussions will be ongoing.

There had been a change in Future Farmers of America (FFA) leadership. Jeff Hass is leaving and they will be filling the position.

Director Wyant stated that he and Brad Deacon have been meeting with the new legislators to discuss agriculture issues. The visits have been positive.

Other meetings of interest: the Cattlemen's Association meeting in Lansing; opportunities to talk about the TB program on Comcast; appearing on Rep. Kolb's cable show; and an opportunity to talk about farmland preservation and value-added agriculture in the Ann Arbor area. Upcoming events: presenting to the Senate Natural Resources & Environment Committee about MDA's Environmental Stewardship Division; Michigan State Fair Advisory Meeting; presenting annual department accomplishments to the House and Senate Agriculture Committees; Agriculture Conference on the Environment and the Joint MDA-DNR commission meeting.

Director Wyant reported that there was a case of Bovine TB found in Nebraska. No information about the origin or history is available yet.

Director Wyant presented a resolution for the Commissioners' consideration for Carolyn Sue Sailor who is retiring from state service.

MOTION: COMMISSIONER JOUSMA-MILLER MOVED TO APPROVE THE COMMISSION RESOLUTION FOR CAROLYN SUE SAILOR ON HER RETIREMENT FROM STATE SERVICE. SECONDED BY COMMISSIONER DARLING. MOTION CARRIED UNANIMOUSLY

WATER RESEARCH REPORT: Dr. Joan Rose, Nowlin Chair for Water Research, Michigan State University

Dr. Rose's area of study is environmental health and micro-organisms. She used a Powerpoint presentation to discuss research at MSU talked about some research issues of personal interest. Water and water issues are of interest all over the country both in groundwater and water quality.

She pointed out some water challenges: ground water protection, surface-ground water flows, non-point source pollution, e.coli bacteria, nutrient impairment, combined sewer overflows, emerging contaminants (pharmaceuticals, anti-biotics,) persistent contaminants, climate impacts, land use impacts, water treatment, infrastructure and policy.

She discussed university scientist's strengths and where they face challenges. University scientists should adhere to certain principles: when doing engaged research, can they make it relevant, timely, economical, realistic and can it be communicated.

MSU's expertise overlaps through a variety of departments. She reviewed the many programs and areas of expertise represented at MSU and relationships with other entities, e.g. United States Department of Agriculture (USDA).

She reviewed MSU's water research goals: water science and technology goals, water quality and health goals; applied ecosystems and health; and water, land and people interactions.

Michigan is in a unique position, both physically and scientifically, as well as politically to take a leadership role in the Great Lakes Basin.

She discussed the importance of groundwater to small rural communities. There are also issues relating to Agriculture and confined animal feeding operations, national and international border issues and urban issues. Water issues in Michigan are quite diverse.

MSU is interested in new technology, getting the most advanced testing out of the lab and into the field to look for hundreds of types of contaminants in a single test. Funding comes from federal and local sources.

She highlighted current ongoing studies including watershed studies; influence of land cover on regional scale groundwater recharge; using spectral analysis to relate climate and land use changes and how that influences stream flow; protecting water and managing manure; consumptive use; and recharge of groundwater.

Dr. Rose stated there is a need for integration in protection of water, resources, quality and health. Data needs to be collected with the principles of engagement in mind and effective regulations. She also talked briefly about a water workshop going on over the next six months, bringing in experts from all over the nation.

MICHIGAN FARM BUREAU POLICY BOOK REVIEW: Ron Nelson, Legislative Counsel

Mr. Nelson reviewed the 2005 Michigan Farm Bureau (MFB) Policy Book. There are 95 policies in the book, 44 of which require additional funding to approximately \$40 million. Topics of the policies include: abandoned orchards and vineyards; animal resource management; aquaculture and commercial fishing; biomass renewable products; commission system of government; animal health diagnostic center; farm markets; livestock and poultry health; MDA staffing to monitor state swine herd; special funding and programs for animal health; marketing and bargaining; regulatory and enforcement program funding from the general fund; equine industry; nursery, floriculture and greenhouse industry; sheep industry; plant and pest diseases; privately owned cervidae; right to farm; state energy policy; stray voltage; employer provided housing; anhydrous ammonia; drain code; agriculture pollution prevention; air quality; farmland protection; conservation districts; non-point source pollution watershed management; water use in the Great Lakes; wildlife management issues; and taxation and fees.

Mr. Nelson stated that MFB is concerned about the budget and the effects that cuts will have directly to agriculture.

MICHIGAN AGRICULTURE STATISTICS: Dave Kleweno, State Statistician

Mr. Kleweno distributed new statistic books with information organized by Senate and House districts in Michigan. This information is also available on the internet. E-mails (and a press release) are being sent out for House and Senate members explaining this new information.

This is the first time statistics have been organized in this way. It is the result of a partnership between MDA, Michigan Agriculture Statistics (MAS) and National Agriculture Statistics (NAS). Commission comments are appreciated. It is possible that this may move to a national document if the information is determined to be valuable.

Mr. Kleweno briefly reviewed the information included in the books and available on the web.

Commissioner Darling commented that it would be interesting to see the number of acres in agriculture within each district.

Director Wyant thanked Mr. Kleweno for his leadership. He feels that this will be a model for the rest of the country.

MOTION: COMMISSIONER JOUSMA-MILLER MOVED THAT THE COMMISSION SUPPORT THE WORK THAT MAS HAS DONE IN COMPLETING THE MICHIGAN HOUSE AND SENATE AGRICULTURE STATISTICS AND, FURTHER RECOMMEND THAT A LETTER OF SUPPORT FOR THE VALUABLE INFORMATION PROVIDED BE SENT TO NAS ON BEHALF OF THE MICHIGAN AGRICULTURAL STATISTICS SERVICE. COMMISSIONER MAITLAND SECONDED. MOTION CARRIED UNANIMOUSLY.

LEGISLATIVE UPDATE: Brad Deacon, Legislative Liaison

Mr. Deacon reviewed current legislative activities. There have been several bills introduced. Senator Jelinek has introduced SB 2, the Bodies of Dead Animals Act. Because rendering is no longer an option, livestock producers need an environmentally acceptable and economical way to dispose of the normal mortality of livestock on the farm. MDA has been working with MSU on research and updating this law.

Sen. Garcia's office will introduce a bill on migrant labor housing to address the problem of enforcement for non-licensed migrant labor camps. Currently, enforcement falls to the local prosecutor who often has higher priorities. This would offer an administrative fine option what will hopefully help ensure compliance.

Staff is working on an update and consolidation of a number of the plant laws.

Several bills introduced deal with property tax; food in school; bottle deposits and water use, regulation and discharge.

Rep. Nitz has introduced a bill on biodiesel mandating that 2% of diesel sold in Michigan be biodiesel.

Staff is also making visits and presentations to new legislators and continuing to share the agriculture story with veteran legislators. This budget is going to focus on outcomes and we feel we have a lot to talk about.

Sen. Brown and Rep. Caswell appeared jointly this morning to introduce Commissioner Dale Norton to the Senate Agriculture Committee and recommended that he confirmed. The Committee voted 5-0 in favor of Commissioner Norton's confirmation. It will now go to the full Senate.

PUBLIC COMMENT:

E.J. Brown, Executive Director, Michigan Association of Fairs & Exhibitions distributed and reviewed a list of the new board of directors for 2005. Their 125th Annual Convention was just completed. He discussed the convention and the keynote speaker. He also shared information about the number of county fairs that will be held in Michigan this year.

Terry Hollaway, representing National Grape Coop, addressed the Commission regarding National Grape Coop. National Grape Coop is a grower owned cooperative with members in Michigan, New York, Pennsylvania, Ohio and Washington. There are 325 members in Michigan who grow more than 12,000 acres of Concord and Niagara grapes and the production facility in Lawton, Michigan, has 333 employees. He stated they were present to voice support of the specialty crop block grant program. The 2002 grant program worked well for Michigan, the growers and Welch's. Through the program they have increased purple grape juice sales by 4% per year that has allowed the growers in Michigan to plant more grapes. Welch's is the brand name of the cooperative.

Director Wyant commented the at the recent U.S. Fruit & Vegetable Advisory Council meeting, a top priority was to pursue the Specialty Crop Competiveness Act, that includes the specialty crop block grant provision. Another priority will be focusing on demand and obesity.

Thomas Okrie, Safe & Peaceful Living Solutions, introduced himself and shared his educational credentials. He represents a new grassroots organization that is interested in reaching peaceful solutions to problems facing the world today. He distributed a list of concerns and read the organization's mission statement.

The one item that was of most concern today was the issue of the Pesticide Registry. He filled out the paperwork, returned it and received a call, telling him that he was not provided the same courtesy of notification to a chemically sensitive individual as someone living in the city because he lives next to a farm. He asked the Commission to remove that loop-hole

Chair Byrum informed Mr. Okrie that was a legislative issue, and not one that the Commission could act upon.

RECESS:

The meeting was recessed at 12:35 p.m.

RECONVENE:

The meeting was reconvened at 1:10 p.m.

MICHIGAN ASSOCIATION FOR LOCAL PUBLIC HEALTH: Mark Bertler, Executive Director

Mr. Bertler introduced himself and explained that the Michigan Association for Local Public Health (MALPH) represents Michigan's 45 city, county and district health departments. A major activity in the communities is the restaurant inspection program, done in conjunction with MDA. He stated that he had been at the budget presentation and that this program had not been affected by the proposed cuts. He thanked Director Wyant and staff for working to make sure the program was protected.

He distributed a document outlining the services of local health departments. In addition to the restaurant inspection program, they provide personal health services, hearing and vision programs; and are first responders to health related disease outbreaks (vaccine preventable).

The programs are population based and designed to keep people healthy. They will be working with the Surgeon General to carry the message of the Michigan Steps Up program to stay healthier and not have to use the medical system. In addition, they help find answers to health problems when they arise.

Director Wyant asked Mr. Bertler to comment on the agreement in place with MDA. Mr. Bertler discussed a document called The Principles of Collaboration for State and Local Governments. It provides a framework for how to work together on policy, budget issues and advocacy. MDA has agreed to support that approach and Mr. Bertler will be meeting with Director Steve Chester, Michigan Department of Environmental Quality, for his support. The document sets up specific expectations for each partner. He feels MDA has leveraged the expertise of MALPH.

ANIMAL HEALTH UPDATE: Dr. Steve Halstead, Director, Animal Industry Division; Dr. Dan Grooms, College of Veterinary Medicine, Michigan State University;

Dr. Dan Grooms updated the Commission on MSU's research activities in cooperation with MDA and USDA, specifically in the context of Bovine TB with relationships to transmission between wildlife reservoirs and cattle. He distributed a handout and reviewed the information with the Commission including transmission of the bacteria, survival of the bacteria in the environment,

risk factors that have been identified for maintenance of the disease in the white tail deer population in northeast Michigan, risk factors for infection of the cattle population in northeast Michigan, and research that has been occurring with respect to other wildlife species besides white tail deer.

He stated that through experimental studies, they know that the bacteria can be transmitted amongst deer through infected feed and from mother to fawn through milk. The bacteria can also be transmitted from deer to cattle.

Most micro bacteria can survive very well in the environment, at a minimum of 12-14 weeks on feeding piles at temperatures that are common to Michigan. We do not know the outside timeframe.

Current MSU research includes risk factors for white tail deer infection; trying to determine what puts white tail deer more at risk for becoming infected with Bovine TB. They found that supplemental feeding did increase the risk. They broke it down further in different ways feeding was done including wooded versus open area, size of feeding site, number of years feeding site is used, and number of deer being fed. Feeding of fruits and vegetables increased the risk of deer becoming infected.

They also found that where there are large areas of forest, many small ponds and very few people, there is a much higher concentration of deer and more incidents of infection.

For cattle, the major factors for increased risk of infection: farms that are in areas where there is more TB in deer; farms that have ponds or creeks in the cattle-housing area; farms that purchase a lot of cattle; fence-line contact with other cattle; and storing unprotected feedstuffs outside. Major factors for decreased risk of infection: farms located where there are more open areas; cattle housed in barns or feed yards; keep animals separate by barbed wire or electric fences; and using small bales to feed cattle.

He briefly reviewed other animals that are thought to be reservoirs for Bovine TB.

A brief discussion ensued regarding the difference between baiting and feeding. Chair Byrum asked that some bullet points be put together on scientific conclusions about baiting, feeding and the transmission of the disease and factors that reduce the risk of transmission prior to the March meeting.

The current testing strategy is being reviewed to improve testing on smaller herds. Also, there are other diseases that effect the test results, mainly causing false positives on initial testing, increasing the cost of testing. Vaccinating may also affect testing results. They are looking at new tests that could be used.

Acting Racing Commissioner Chris White joined Dr. Steve Halstead to discuss the equine herpes virus outbreak at Northville Downs where the fourth positive horse was recently confirmed. The track has been closed for a week and the Office of Racing Commissioner has officially quarantined the track. Arrangements have been made with USDA for an epidemiologist to begin a preliminary investigation to determine if it is the shipment of horses in or the congregation of the horses at that location causing the spread. The epidemiologist will look at horse movement and practices at the track, working with one of MDA's veterinarians, the track owner and additional staff members from ORC.

The first two occurrences were in the same barn and within a short time period and were taken care of with quarantines, limits on movement and cleaning and disinfecting. There appears to have been contact between the first two horses and the third horse. The fourth case does not appear to be connected. Currently, the fourth horse only has the respiratory version of the virus. It has been treated and doing well. This horse was vaccinated against the virus in January. There are approximately 250 horses housed at Northville Downs plus 60-70 additional shipped in for a race day.

Dr. Halstead stated that racing may resume after they clear the area and implement bio-security controls. The track is still open to the public for simulcast racing. There are no restrictions on any other horses in the state. Dr. Halstead has contacted neighboring state veterinarians and a few other big horse racing states to share Michigan's experience. There has been no negative feedback. Ms. White stated that it is up to the tracks themselves to determine whether they allow Michigan horses in.

Dr. Mike VanderKlok joined Dr. Halstead to discuss Bovine TB. Dr. Halstead reported that the Minnesota Board of Animal Health is meeting within the week and will be discussing cattle imports from Michigan. It is expected that, except for those coming from the modified accredited zone, Minnesota will allow cattle imports consistent with the Uniform Methods and Rules for TB Eradication and Control.

Dr. VanderKlok updated the Commission on current activities. Since testing began January 1, 2000, requiring testing of all the herds in Michigan, over one million animals have been tested. Every herd has been tested; some have been tested twice or have had individual animal testing for movement. There are over 17,000 herds in the state. The cooperation from the industry and testing has provided the background to talk with other states and open up the markets again.

Since the discovery of the first TB infected white tail deer herd in October 1997, there have been 33 cattle herds infected and one privately-owned cervid herd infected. There have been less than 100 TB positive animals out of about 3,000 animals in those infected herds. There is a core area where the majority of the infections occurred. Work is being done with MSU to develop a risk assessment tool for farmers.

MDA, along with USDA and MSU, is looking to modify the surveillance program in the UP and the modified credited advanced area to make it more risk based.

In response to a question by Commissioner Norton, Dr. Vander Klok discussed herd depopulation in a confined area, depopulation in a pasture, and the test and removal program.

Dr. VanderKlok spoke about testing cycles and the decrease of positive herds found in the last three years.

As cattle are coming into the state, unless they are going directly to slaughter, all are required to be tagged (identified).

Dr. Steve Halstead introduced Pete Butchko, State Director, USDA, APHIS, Wildlife Services. Wildlife Services has been an important partner in separation of domestic livestock from wild animals. Mr. Butchko shared background information about the USDA Wildlife Services program and the value of the partnership with MDA.

Commissioner Darling commented on the great working partnership with MDA, MSU and DNR staff.

FOOD & DAIRY DIVISION EMERGENCY TABLE TOP EXERCISES & FOOD SECURITY SUMMIT: Kevin Kirk, Special Assistant to the Director, Animal Industry Division; Sue Esser, Dairy Section Manager; Brad Deacon, Emergency Management Coordinator

Three emergency table-top exercises were held in 2004. There were five basic goals for the exercise: help participants better understand their roles and responsibilities in an emergency situation; to introduce the participants in the emergency management concept; improve communication and coordination in the event of an emergency; evaluate current practices, identify gaps and look forward to corrections or ways to make the process better.

The dairy exercises were modeled after the grocers table top that included a criminal element in that something was intentionally contaminated. A working

group put together a scenario with four different modules that included questions for the participants to answer after each module.

One major shortfall that became evident after the grocer's table top was the disconnect between what law enforcement does and what traditional food safety folks do. Law enforcement is used to handling tornadoes, floods, fires, etc. Food safety specialists are accustomed to food recalls and enforcement action, but unaccustomed to terrorist and actual criminal intent.

A wide variety of people attended including dairy farmers, milk processors, milk haulers, a feed mill operator, individuals from MSU, FEMA, MSU Extension, Michigan State Police, FBI, sheriff departments, local emergency coordinators, and Michigan Department of Community Health.

The participants felt that there was a better understanding about what everyone would do in the event of an emergency, but felt communications could be improved.

Mr. Kirk discussed the other two exercises. The outcomes were similar. Awareness was raised and a written plan is needed. It was great to see the groups working together, but more exercises are needed. A more complete list of emergency contacts needs to be compiled at the state and local levels. These exercises will act as a foundation to build a better system of communication. Mr. Kirk is working with an animal work group and will have an emergency contact list for the animal industry in the near future.

Commissioner Norton commented on his participation with the state exercises and also an exercise he participated in with USDA in Washington, DC. He expressed the importance of these exercises.

Ms. Esser discussed the good working relationship with the dairy industry and the contact information that has been shared with them.

Mr. Deacon commented that the industry is requesting more exercises, as they understand their importance. He shared outcomes of the Food & Agriculture Protection Summit that was held in January.

PLANT HEALTH UPDATE: Kenneth Rauscher, Director, Pesticide & Plant Pest Management Division; Steve Martin, Commercial Feed Manager

Mr. Rauscher introduced Steve Martin who talked about the on-farm Bovine Spongiform Encephalopathy (BSE) testing.

MDA has a partnership with the Food and Drug Administration (FDA). MDA has been conducting BSE feed inspections for approximately seven years. The

focus has been to provide assurance that necessary steps are taken to prevent the establishment of BSE in the animal population. If it is discovered, adequate records should be available to trace the sources and contain the problem. Since the discovery of BSE in Canada and western United States (US), scrutiny has increased both nationally and internationally. There has been increasing pressure on the FDA to provide assurance that compliance with the current feeding ban exists at all levels of the regulated community. Several years of inspections have confirmed a high level of compliance within the rendering, feed manufacturing and feed distribution sectors. Since the number of inspections of ruminant feeding operations has been comparatively small in relation to the size of that sector, there has been increasing pressure on FDA to focus more attention there. FDA has been asking all states that have contracts to perform the inspections to include a limited number of ruminant feeding operations in their work plans.

FDA has assigned 20 ruminant feeding inspections as part of Michigan's 2005 BSE contract. Ruminant feeders that have on-farm mixing operations have a higher inspection priority. MDA is selecting farms that will represent a statewide cross-section of the largest operations, both beef and dairy operations. Whenever possible, an attempt will be made to involve MDA dairy inspectors when conducting inspections on dairy farms. Five on-farm inspections have been completed this year. The preliminary results indicate they are all in compliance. MDA will continue to inspect all active feed manufacturers, feed distributors, and renderers who are known to handle prohibited materials, as well as any who have used them in the last three years. Through routine feed inspections, new feed products will be reviewed to ensure they contain no prohibited materials.

All US ruminant feeders are required to observe feeding prohibitions and requirements for maintaining feed purchase records and the labels for those feeds. These records enable trace backs to feed sources in the event that BSE is found in a herd. MDA will work with individual producers as well as livestock organizations to explain the regulations and expectations pertaining to record keeping and will assist with compliance using FDA guidance documents that are provided at the time of inspection.

Mr. Rauscher then discussed nursery fees and reviewed a memo previously sent to the Commissioners outlining activities related to nursery inspections. MDA is required by statute to review the fees on an annual basis. Currently the fees is \$34 per hour for hourly inspection services and for nursery inspections that are charged on the basis of acreage, the charge is \$34 for the first acre and \$17 for each additional acre. For those acres over an acre, typically you can inspect two acres in one hour. A review of the 2005 fees has been conducted and it has been determined that costs will be over \$36 per hour for hourly inspections and

the same increase with the acreage fees. Mr. Rauscher asked the Commission to approve an increase in nursery inspection fees from \$34 to \$36 per hour and from \$34 to \$36 for the first acre and from \$17 to \$18 for each additional acre.

Commissioner Darling asked about industry response. Mr. Rauscher indicated that industry is supportive of the increase.

MOTION: COMMISSIONER MAITLAND MOVED TO INCREASE NURSERY INSPECTION FEES FROM \$34 TO \$36 PER HOUR AND FROM \$34 TO \$36 FOR THE FIRST ACRE AND FROM \$17 TO \$18 FOR EACH ADDITIONAL ACRE. SECONDED BY COMMISSIONER JOUSMA-MILLER. MOTION CARRIED UNANIMOUSLY.

Mr. Rauscher distributed a copy of a report to The Central Plant Board that summarizes some of the activities and accomplishments of the PPPM Division for 2004. He distributed a map and chart indicating the quarantine area, the outliers and the infestations outside the generally infested area. There are two additional sites not on the map, one in Grand Traverse County and one in Montcalm County.

He discussed the work staff has been conducting around many of the outliers as eradication type activities are planned. There are opportunities to partner with DNR to aid in tree removal on state land and hopefully an opportunity to work with the US Forest Service on their own land. Additionally, MDA is working with the several industries to assist in the removal process.

The map was compiled by USDA as a result of the last Science Advisory Panel meeting. The Science Advisory Panel endorsed the survey activities related to trap trees, the eradication activities, education outreach, enforcement efforts and the grinding yards. Mr. Rauscher discussed their concept of "gateways of exit." The Panel would like to see the task force concentrate its efforts in three areas northern Ohio/northern Indiana/Michigan border; at the Mackinac Bridge; and along the St. Clair River.

Mr. Rauscher reviewed the eradication activities planned for Hillsdale County, along the St. Clair River and three areas in northern lower Michigan (Presque Isle, Cheboyban and Emmet Counties.) These all fall into the Science Panel's priority removal areas.

He reviewed EAB budget history with the Commission and future budget expectations for 2005. Survey staff will be reduced by half and some will be relocated to existing regional offices and at the Mackinac Bridge. Other inspection staff will report to regional supervisors in existing MDA offices

providing efficiencies and an opportunity to get the staff statewide. Other reductions will occur in the grinding yards, outreach and education activities and eradication efforts.

Director Wyant commented that the Governor's office has been very supportive in coordinating our efforts in Michigan. The Governor will be sending a request to the new Secretary of Agriculture about funding for EAB. There may be a joint letter in the near future from Michigan and Ohio.

He also briefly discussed the federal budget outlook and challenges ahead.

Commissioner Darling commented that research must continue for the long term health of ash in Michigan and in the United States.

Commissioner Jousma-Miller suggested that the strength will be in the partnerships with the industry and the communities.

Mr. Rauscher commented that the Municipal Tree Removal Program has been receiving a lot of favorable attention. There have been two training programs for municipalities with approximately 100 expressing interest. This is the voluntary tree removal program that involves statewide contracting.

Commissioner Byrum asked Keith Creagh to briefly report on the budget announcement that occurred earlier in the day.

PUBLIC COMMENT:

No public comment.

COMMISSIONERS' ISSUES

Commissioner Maitland shared a letter received from the Michigan Land Use Institute regarding fees for waste-water discharge being excessive for small operations. Additionally, Patty Cantrell also asked for the Commission's support of her application for grant to the USDA Rural Development Division, a continuation of her efforts in northern Michigan to start small businesses on farms and inventory items available to the public from farms.

MOTION: COMMISSIONER MAITLAND MOVED THE COMMISSION SEND A LETTER TO USDA IN SUPPORT OF THE GRANT SUBMITTED BY PATTY CANTRELL. SECONDED BY COMMISSIONER JOUSMA-MILLER. MOTION CARRIED UNANIMOUSLY.

Commissioner Byrum requested that at a future next meeting there be a discussion about the impact on rural communities in agriculture of federal budget

cuts in USDA. Additionally, he would like to look at several of MDA's regulatory programs that are funded by general fund and industry to see what percentage is funded by general fund and what percentage is funded by industry. He would also like to review program priorities.

Commissioner Darling commented that in 2001 approximately \$386 million worth of Commodity Credit Corporation (CCC) money came into the state, into the local economies and agri-businesses

Regarding the TB issue and feeding/baiting, the key component we need to keep in mind with discussions with NRC is our working relationship with USDA as far as split state status. USDA does not support feeding or baiting, and the reoccurrence of either may impede advancing the TB free status goal for Michigan.

Additionally, he is concerned about comments that DEQ does not view the MAEAP program as a measurement of compliance. He would like to hear from DEQ how they view MAEAP certification.

ADJOURNMENT:

MOTION: COMMISSIONER MAITLAND MOVED TO ADJOURN THE MEETING. COMMISSION JOUSMA-MILLER SECONDED. MOTION CARRIED UNANIMOUSLY.

Meeting was adjourned at 4:08 p.m.

ATTACHMENTS

- A - Minutes of January 10, 2005 Commission of Agriculture meeting*
- B - Water Research Report*
- C - Michigan Agriculture Statistics*
- D - Legislative Report*
- E - Michigan Association of Local Public Health*
- F - Animal Health Update*
- G - Food & Dairy Division Emergency Table Top Exercises*
- H - Plant Health Update*
- I - Commissioners' Issues*